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April 1, 2010

VIA ELECTRONIC FILING

Ms. Jocelyn Boyd
Interim Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Rulemaking Regarding Amendments to Regulations 103-331 and 103-336 Filed with the
South Carolina Legislative Council
Docket No. 2010-63-E

Dear Ms. Boyd:

On February 12, 2010, the Commission filed a notice of drafting with the South Carolina Legislative Council regarding revisions to 26 S.C. Code Regs. 103-331 and 103-336 (2009) to reflect the partial waivers granted by the Commission in Order No. 2009-770 in Docket No. 2009-168-E. Interested persons were given until April 1, 2010 to provide comments.

Attached please find joint proposed revisions from the Office of Regulatory Staff, Duke Energy Carolinas, Progress Energy Carolinas, and South Carolina Electric and Gas. The parties appreciate the opportunity to comment.

Sincerely,

Shealy Boland Reibold
Shealy Boland Reibold

cc: Len Anthony, Esquire
Lara Simmons Nichols, Esquire
Frank Ellerbe, Esquire
Chad Burgess, Esquire

103-331. Customer Deposits.

A. Each electrical utility may require from any customer or from any prospective customer, a deposit intended to guarantee payment of bills for service, if any of the following conditions exist:

1. The customer's past payment record to an electrical utility shows delinquent payment practice, i.e., customer has had two consecutive ~~thirty-day~~ arrears, or more than two non-consecutive ~~thirty-day~~ arrears in the past twenty-four months, or

2. A new customer cannot demonstrate that he is a satisfactory credit risk by appropriate means including, but not limited to, a letter of good credit from an electrical utility, references which may be quickly and inexpensively checked by the Company or cannot furnish an acceptable cosigner or guarantor on the same system within the State of South Carolina to guarantee payment up to the amount of the maximum deposit, or

3. A customer has no deposit and presently is delinquent in payments, i.e., has had two consecutive ~~thirty-day~~ arrears, or more than two non-consecutive ~~thirty-day~~ arrears in the past twenty-four months, or

4. A customer has had his service terminated for non-payment or fraudulent use.

5. A nonresidential customer or its parent company is experiencing financial difficulties as determined by an electrical utility using its respective internal credit risk rating criteria (even if the customer has not yet defaulted or caused a default on a payment obligation to the utility) and has not negotiated an alternative payment plan designed to mitigate the utility's risk of loss. The electrical utility may use a variety of security options other than the payment of a two-month cash deposit, including but not limited to accelerated payment plans, surety bonds, bank letters of credit or some combination of the above. All electrical utilities engaging in negotiated payment solutions must provide a copy of their respective internal credit risk rating criteria upon request by the Office of Regulatory Staff.

B. If the electrical utility elects to require a deposit under Subsection (A)(5) of this Rule, then the electrical utility shall inform the affected ~~each prospective~~ customer of the provisions of ~~contained in this Rule~~.

103-336. Deposit Retention.

A. Deposit shall be refunded completely with interest after two years unless the customer has had two consecutive ~~thirty-day~~ arrears, or more than two non-consecutive ~~thirty-day~~ arrears, in the past twenty-four months.

B. An electrical utility shall not be required to refund the deposit if a non-residential customer or its parent company is experiencing financial difficulties as determined by an electrical utility using its respective internal credit risk rating and/or if bankruptcy may be

imminent, even though the customer continues to make billed payments in a timely manner.